



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

July 28, 2015

Ms. Anne Arnold, Manager, Air Quality Planning Unit
U.S. Environmental Protection Agency
New England Regional Office,
1 Congress Street, Suite 1100
Boston, MA 02114-2023.

Re: New Hampshire Motor Vehicle Inspection and Maintenance On-Board
Diagnostics Program 2013 – 2014 Biennial Report

Dear Ms. Arnold:

Pursuant to Title 40 Code of Federal Regulations Part 51.366, the New Hampshire Department of Environmental Services is pleased to submit the 2013 – 2014 Biennial Report regarding New Hampshire's On-Board Diagnostics (OBD) program. This report has been prepared in cooperation with the New Hampshire Department of Safety's Division of Motor Vehicles and the State's OBD vendor, Gordon-Darby NHOST Services, Inc.

Should you have any questions or comments associated with this report please contact Rebecca Ohler at (603) 271-6749 or rebecca.ohler@des.nh.gov.

Sincerely,

Craig Wright
Director
Air Resources Division

cc: Ariel Garcia, EPA
Richard Bailey, Director, DMV
Jennifer Jakubauskas, DMV



STATE OF NEW HAMPSHIRE

2013 - 2014

Biennial Motor Vehicle Inspection Program Report

July 31, 2015

Prepared by

New Hampshire Department of Environmental Services

New Hampshire Department of Safety, Division of Motor Vehicles

with the assistance of Gordon-Darby NHOST Service, Inc.



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1. INTRODUCTION

This is the 2013 - 2014 Biennial Report to the United States Environmental Protection Agency (EPA) on the New Hampshire motor vehicle inspection and maintenance (I/M) program. This report is required by Title 40 Code of Federal Regulations Part 51.366 (e) *Additional reporting requirement*. This report is to be submitted to EPA every other year and, and provides information on the following:

1. *Any changes made in program design, funding, personnel levels, procedures, regulations, and legal authority, with detailed discussion and evaluation of the impact on the program of all such changes; and*
2. *Any weaknesses or problems identified in the program within the two-year reporting period, what steps have already been taken to correct those problems, the results of those steps, and any future efforts planned.*

New Hampshire's I/M program consists of an anti-tampering inspection for pre-1996 vehicles less than twenty years old (model years (MY) 1994 and 1995 for calendar years (CY) 2013 and 2014), and an On-Board Diagnostics (OBD) inspection for MY 1996 and newer light-duty gasoline vehicles and for MY 1997 and newer light-duty diesel vehicles that are less than twenty years old. The State's I/M program also includes a safety inspection, which is not addressed in this report.

2. PROGRAM OVERVIEW

New Hampshire was initially subject to federal I/M requirements due to elevated ozone levels in the Southern and Seacoast portions of the state and also because of our inclusion in the Ozone Transport Region designated under Sections 176A and 184 of the Clean Air Act. New Hampshire was redesignated to "attainment" for the 1997 8-hour ozone standard (78 FR 6741) and "unclassifiable/attainment" for the 2008 8-hour ozone standard in 2012 (77 FR 30088). New Hampshire is now operating under a ten year Maintenance Plan that includes previously existing emission reduction strategies such as the State's I/M program.

New Hampshire's vehicle inspection program is administered by the New Hampshire Department of Safety, Division of Motor Vehicles (NHDMV) pursuant to Revised Statutes Annotated (RSA) Title XXI, Chapter 266, Section 266:59-b. The New Hampshire Department of Environmental Services (NHDES) has prime responsibility for compliance with Clean Air Act requirements, thus the two agencies work cooperatively to establish the rules to implement the program, conduct outreach and education activities, and prepare the annual and biennial reports.

All privately owned motor vehicles are subject to an annual safety inspection in the birth month of the registered owner. Corporate and fleet vehicles are inspected in specified months; government and municipal vehicles are inspected by March of each year. The annual anti-tampering and OBD inspections are conducted at the same time as the safety inspection.

Beginning in 1999, motor vehicles that were 1980 and newer were subject to an anti-tampering inspection consisting of a visual inspection for the presence and proper connection of the catalytic converter, gas cap, evaporative purge canister, positive crankcase ventilation valve and hoses, and the connection of the air injection pump/pulse air system. The anti-tampering program has continued since that time, with a legislative revision to the program in 2004 (approved by EPA) that exempts vehicles that are 20-model-years old and older.

Starting in May 2005, New Hampshire implemented an OBD inspection program for MY 1996 and newer light-duty gasoline vehicles (<8500 pounds) and MY 1997 and newer light-duty diesel vehicles in lieu of the anti-tampering inspection. For the first year of the program vehicles underwent the OBD test, but failed vehicles were allowed to obtain an inspection sticker and OBD repairs were voluntary provided the passed the visual anti-tampering inspection. Beginning December 1, 2006, MY 2002 and newer vehicles were subject to a pass/fail OBD test, with failures requiring repairs in order to obtain an inspection sticker. Model year 1996 to 2001 vehicles continued under an advisory program until October 1, 2007, at which time all vehicles were under the pass/fail criteria.

New Hampshire's vehicle inspection program is enforced by use of a highly visible windshield sticker. The sticker consists of two parts, a number indicating the month of inspection and a colored backing. Failure to have a current inspection sticker is a violation that can be enforced by all local and state law enforcement officers. The fine for an expired or missing inspection sticker is \$60 (*New Hampshire Revised Statutes Annotated (NH RSA) 266:5*). NHDMV may suspend or revoke the registration of an un-inspected vehicle, or may refuse to register it.

New Hampshire law allows motorists 60 days for repairs for OBD failures (*NH RSA 266:59-b V*). Motor vehicles that pass the state's safety inspection, but fail the OBD test receive just the number portion of the inspection sticker. Motorists are likely to be pulled over for lack of the colored portion of the sticker. By presenting a copy of their OBD test report that shows they are within their 60-day grace period, a motorist can avoid a citation. Motorists that exceed the grace period are subject to the fines and consequences noted above.

Pursuant to NHDMV Administrative Rule 3222.08, New Hampshire offers economic hardship time extensions on a case-by-case basis as determined by the director of NHDMV. Such extensions are for a single inspection cycle and cannot be re-issued for a given vehicle. The hardship extensions were initiated in CY 2007.

3. PROGRAM CHANGES - 51.366 (e) (1)

3.1 Program Design

In mid-2012 the State entered into a five year contract with Gordon-Darby NHOST Services, Inc. to continue to provide OBD inspection services in the state. While some programmatic changes are proposed in the new contract period, no major changes were implemented in the timeframe of this report.

3.2 Funding

The NH OBD vehicle emission inspection program is self-funded. Licensed inspection stations pay the State an annual administrative fee of \$25 and \$3.25 per inspection sticker, of which \$0.25 is transferred to the motor vehicle pollution abatement fund (RSA 125-S:3) to support NHDES efforts to control air pollution from motor vehicles. The remainder of the sticker fee is available to NHDMV to draw upon for all expenses related to program administration and enforcement. Inspection stations also pay the Vendor directly, a minimum fee of \$60.00 per month or \$3.31 per test, whichever is greater. The Vendor supplies all equipment needed to complete the OBD test and electronically report the results; there is no capital investment needed by the station.

The 2012 – 2017 contract with Gordon-Darby established a pricing schedule as follows:

<u>Cost per test</u>	\$3.31
Minimum Monthly Fee	\$60.00
Monthly Minimum Test Volume	22

Options – Additional per-test fees:

Base Covert Audit – Trigger Data Analysis	\$0.07*
On-Demand Stickers	\$0.22
Education & Outreach	\$0.27
Medium Duty (< 14,000 lbs.) Testing	\$0.03
Voluntary Recall Notification	\$0.10

*Following implementation of new triggers and triggers analyses in 2012, Gordon-Darby increased their fee by \$0.07 per test raising an inspection station's per-test fee to \$3.38. The remaining options have not yet been exercised by the State.

3.3 Personnel Levels

A NHDMV administrator manages the emissions program and the contract with Gordon-Darby. There are now eight full-time Enforcement Officers performing overt inspections based on triggers analyses and conducting routine inspections of licensed inspection stations. The Enforcement Officers are mostly prior inspection station staff thoroughly familiar with OBD test procedures. Enforcement Officers are trained by a State Trooper and empowered to enforce State regulations related to New Hampshire's I/M Program. The full-time Enforcement Officers have inspected each of New Hampshire's 1,903 stations at least once in 2014.

DES has a full-time Transportation Analyst position that supports the data analysis and reporting, as well as outreach and education activities of the I/M program, along with other duties not related to the I/M program. In 2014, the Transportation Analyst assisted DMV by helping to organize and provide presentations at five "listening sessions" for inspection station owners and operators. The agencies also cooperated in providing training for municipal town clerks who provide vehicle registration services across the state.

3.4 Procedures

The NH IM program design and procedures did not change in CY2013 or CY2014.

3.5 Program Authority (Legislation and Regulations)

In CY2014 minor statutory changes were made to New Hampshire's OBD program. Under House Bill 1209 (NH Chaptered Law 236) the statutory language for applicability of the OBD test was changed as follows:

"236:1 Emission Control Equipment; Applicability. Amend RSA 266:59-b, III to read as follows:

III. The commissioner, after public hearing and consultation with the commissioner of the department of environmental services and the air pollution advisory committee, and notification of the house science, technology, and energy committee and the senate environment committee, and with the approval of the air pollution advisory committee, shall adopt rules under RSA 541-A, which require ~~[all model year 1996 and newer gasoline-powered and model year 1997 and newer diesel-powered]~~ motor vehicles equipped with *an* on-board diagnostic ~~[systems]~~ **system** meeting ~~[the]~~ federal EPA OBD II (***On-Board Diagnostics***) standards ***that are*** driven on the ways of this state ***and*** which are subject to inspection under this chapter, after a date specified by the commissioner, to be tested for OBD II indications of failures as a component of the inspection. ***Vehicles subject to this requirement shall include model year 1997 and newer diesel-powered motor vehicles and model year 1996 and newer motor vehicles powered by any other fuel source.*** To the extent allowed by EPA OBD II policy, OBD II data may be substituted for visual and functional tests required by paragraph I."

House Bill 1209 also revised the make-up of the OBD Advisory Committee and the committee's reporting requirements to the General Court. This statutory language became effective September 19, 2014. The practical effect of this change is minimal as there are relatively few OBD-equipped light-duty vehicles in the state that are not powered by gasoline or diesel.

The NHDMV Administrative Rules (Saf-C 3220), revised in 2008, remained unchanged and in effect through the biennial reporting period, but are being revised in 2015.

4. PROGRAM ISSUES - 51.366 (e) (2)

New Hampshire's I/M program includes several communication pathways through which problems can be identified and addressed.

The State's OBD Vendor maintains both a "Help Line" and a website to assist both motorists (1-800-295-5276; www.nhinspect.com) and licensed inspection station staff (1-800-383-4124; www.nhostservices.com). Through their combined manual/automated system the Vendor is able to effectively respond to questions and concerns from both inspection stations and the general public.

NHDMV also maintains a customer assistance phone line (1-603-271-2321) and website (www.nh.gov/safety/divisions/dmv/emissions/index.html) to provide program information and receive input regarding programmatic issues. Both the Vendor and NHDMV received very few reports of problems over the biennial reporting period.

New Hampshire has a legislatively established OBD Advisory Committee tasked with reviewing and making recommendations on state OBD contracts and any necessary statutory or rule changes (*NHRS 266:59-b VII*). This group meets at least annually to discuss issues, pending legislation, contract changes, or other issues raised by NHDES, NHDMV, or legislative members.

Additionally, from April 8 through 16, 2014, NHDMV and NHDES held five public “listening sessions” throughout the state (Portsmouth, Concord, Manchester, Keene and Littleton). The purpose of these sessions was to provide inspection station owners and inspectors the opportunity to provide comments and suggestions or voice complaints regarding the NH I/M program. Participants provided input as follows:

- a. Better handouts for town clerks and inspection stations that explain why OBD is required and to explain failures.
- b. Continuing request for on-demand sticker printing (this action requires statutory and administrative rule changes).
- c. Delay between when a technician passes the certification class and is entered into the system so he can conduct inspections. NHDMV noted this delay is due to the time necessary to conduct background checks and process the information.
- d. Hardship time extensions –questions regarding availability of financial support for those who cannot afford repairs. In some cases the technical schools will repair cars as part of the curriculum and Unemployment Security has some financial assistance so people in their system can have their cars repaired. The State can help address this issue by providing this information to all inspection stations.
- e. The “notes” section on the OBD inspection form is too small – technicians were encouraged to only use that space for necessary information that is not already captured elsewhere on the form.
- f. There were comments regarding conflicts within the existing inspection regulations. It was noted that the rules were being revised in 2015.

With the exception of the request for on-demand sticker printing and problems with the existing rules, these are all minor problems. Attendance at the listening sessions was low. Overall, very few complaints about either the program or the equipment were heard.

5. 2013 - 2014 GOALS UPDATE/PROPOSED 2015 – 2016 GOALS

Status of 2013-2014 Program Goals

As reported in the 2011 – 2012 biennial report, goals for 2013 – 2014 were to:

- Implement an on-demand sticker printing program;
- Conduct listening/training sessions that will be used to better focus additional outreach and education to both inspection stations and motorists; and,

- Further study the issue of low mileage vehicle exemptions and implement that option if it is determined to be of value.

On-Demand Sticker Printing – NHDMV has not yet exercised the on-demand sticker printing clause of the contract with Gordon-Darby. At the request of the New Hampshire OBD Advisory Committee in 2014, NHDMV reviewed existing statutes and rules to determine what regulatory changes would be necessary to implement on-demand sticker printing. It was determined there are two changes that are necessary: a statutory revision to NH RSA 266 and a revision to Saf-C 3200. In 2014 NHDMV legal staff began a review of related statutes and rules with the goal providing a single written proposal of all necessary statutory amendments and rules changes, but this effort was curtailed as all resources were directed to the re-adoption of Saf-3200 that expired at the end of June, 2015.

Listening/Training Sessions - As noted in Section 4 Program Issues, New Hampshire conducted five listening sessions in April 2014. Participants had and only minor complaints, most of which were resolved at the listening sessions. The low attendance appears to reflect overall satisfaction with New Hampshire's I/M program and NHDES and NHDMV see no need to undertake program changes as a result of the 2014 listening sessions, with the exception of continuing to pursue on-demand sticker printing.

Low Mileage Vehicle Exemption - In 2014 an exemption for vehicles driven less than a certain number of miles per year was evaluated. Low mileage exemptions in other states generally use a "de minimis" level of 5,000 miles per year or less as the cut off point for an exemption. A review of vehicle inspection database shows about 2,500 vehicles tested, or less than 1% of the NH fleet, traveled less than 5,000 miles per year. Since there have been no specific requests for a low mileage exemption and it would affect only a very small portion of the fleet, NHDMV and NHDES have determined it is not necessary to pursue a low mileage vehicle exemption at this time.

Proposed 2015-2016 Program Goals

On-Demand Sticker Printing

As noted above, NHDMV continues to receive requests from inspection stations for on-demand sticker printing capability. NHDMV has determined that a statutory revision of NH RSA 266 and a revision to Saf-C 3200 are necessary to exercise this existing contract option. NHDES will continue to work with NHDMV and the Vendor to implement this change. On-demand sticker printing will not impact the air quality benefits of New Hampshire's I/M program. NHDES will consult with EPA regarding necessity of revisions to New Hampshire's State Implementation Plan should statutory or rule changes be required.

Medium-Duty Vehicle and Heavy-Duty OBD Testing – Although New Hampshire is in attainment with both the 1997 and 2008 ozone standards, EPA's new standard, to be released by October 1, 2015, may result in a non-attainment status for portions of the state. In that event NHDES will evaluate whether additional control programs are necessary to achieve attainment. One option that will be reviewed will be inclusion of medium-duty vehicles in the required OBD inspection program. It is unlikely NHDES would pursue inclusion of heavy-duty vehicles in this timeframe.